Mr. Walter N. Elder/ODCI

The contents of the attached memorandum were dictated in my presence by Dr. Wheelon enroute from Washington to New York City on 2 April prior to his departure for

I have reviewed the transcription and have made certain minor alterations to insure the correctness of the context.

However, it does not represent the final prose or grammatical standard which Dr. Wheelon would desire. I have elected to leave as far as possible his language as dictated so that the Director may be aware of Dr. Wheelon's major thoughts without my running the risk of changing the thrust of them by playing with the grammar.

John F. Blake, EO/DD/S&T

3 Apr. 64

NRO review(s) completed.

3 April 1964

EEMOSANDUM FOR: Director of Central Intelligence

SUBJECT:

Presentation to the Clifford Board on my Experience Thus For as a Conitor of MRO for the DCI, 2 April 1964

- 1. Er. Clifford opened the meeting stating that they had been in existence for three years, and that the FRO had been their major problem during that entire time. me to understand that they already knew much of the background and hoped that I would bogin with the current status. I stated that I had come into this area only recently and would have difficulty in adding historical perspective to the present situation, but thought I could give them a cotailed insight of the result of my responsibilities during the last six months in the NRO.
- I indicated that the DD/S&T job was accepted with much reservation, most of it founded on the NAO problem. I offered that mich of Sceville's problem with the MED was based on his trying to do three different jobs: DDWAD. DD/SET and Director of Program B. I indicated that we decided last August that under the present ground rules I should take on the monitor responsibilities for the DCI in parallel with Dr. Rebini who carried these delegated responsibilities for Hellamera. I further indicated that I had made no attempt to stand between Colonel Lodford and Remillan. I stated that I disagreed with the present budget and program control by the DERO, but until it was changed, felt that it was essential that ledford maintain a working relationship with McMillan, which I felt he had done.
- I indicated that I had been delegated the NAO monitor role officially on 8 Nevember 1963, and that Hellilan had tried unsuccessfully to create a committee of which he would be chairmen and whose terms of reference he would set. I pointed out that you had rejected this in December and indicated that the subject was now raised to indicate Echillan's reluctance to accept detailed supervision of

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this program. It was further stated that if I were in his position I would probably feel the same way, but this reluctance had not made my job any ensier or more effective.

- Carter and I had begun a series of biweekly meetings of which we have now had approximately six. These meetings have become less regular during the last two months and probably is the result of the present issue before the Clifford Board. I pointed out that these meetings were characterized more by negotiation than a substantive exchange to the monitors. I said quite frankly there had been no effort on McMillan's part to make us aware of new or old MRO programs and that this was part and parcel of a natural reluctance to accept this supervision.
- 5. I indicated again during this preamble, my sympathy with McMillan's point of view emphasizing that NRO was being run as a closed shop and offered little to those who are supposed to be interested in it.
- The focus then turned to tangible areas in which I had been able to observe had from my monitor role. Your diseatisfaction in being presented with an NRO budget at the last possible moment was mentioned along with the fact that General Carter and I had involved ourselves in preparation of the 1965 budget some weeks before its final submission to you, but not without some resistence. I indicated that the budget was presented to you at the very lest moment, but in this case we had made a significant step forward in preparing you for this final brief session. The main point I stressed was that there was very little give and take between CIA and USID, and the MHO on substantive issues which obviously should be reflected in the preparation of this budget and allocations of programs therein. I said that this was a striking absence to me since the Mil program is supposed to be responsive only to USIB direction. stated quite clearly that to the best of my knowledge NRO had not solicited the Agency or the intelligence community in detail or in a working exchange prior to the preparation of this budget except for the small impact that Cartor and I had had. I offered that this was probably a natural desire on their part to be left alone to do the job in which I had fair sympathy but could see no benefit to the program. I then made the observation that there was a

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distinct asymmetry in the way in which Colonel Ledford's Cla budget was received, examined and cut, and the way in which Coneral Greer's large line items were approved. I pointed out for the record that TAGEDARD was the only item in Ledford's budget that was not cut at all compared with all other items that were cut significantly. pointed out that TAGROARD was the less well defined in all the programs and it was frankly surprising to me that it had not been cut accordingly. It was clearly stated that the point of my comments was not that the situation was wrong, but that there was an asymmetry in the way the DEED approached the CIA and Air Force components of the budget.

7. I then turned to the problem of major program creation, cancellation and reshuffling without our know-ledge. I said this had been the most distrubing thing to 25X1 me of all. As an example, I discussed the proposed 1965

good idea based on what little I had been able to learn about it. I did point out that I had to find out what it was and that it was now considered a going progrem. emphasized my point that major programs costing hundreds of millions of dollars were being added and subtracted without any kind of dialogue with me, and I thought, the DCI. Next came the subject of LANTAID cancellation. We had agreed at our budget session that we would postpone the launching of the second LANYAED payload and see how it worked out. I indicated how this agreement had been

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converted in several days to do a complete cancellation with respining component parts being stored at contractors. I emphasized that an agreement to postpone a firing had been stretched to a unilateral cancellation which was not in the spirit of a joint venture.

8. I then turned to the question of CONOR/FERO relations over the past three years. I indicated that in the spring of 1963 END had balked at clearing all COMOR members for LANTARD Just prior to the first launchings clearances inmally were granted, I believe as your responsibllity. I indicated that this had caused a very serious problem for COMOR. The point I made, however, was that the rapport between COMOR and NEO was not good last year. This was further reflected in the repeated rejection by A19 of the COMOR paper on satellito recommaissance for feture systems. I indicated that I had taken the issue up soon after I came into this new job by discussing the letters with McMillan and suggesting that the time spent in writing these letters might better have been spent in working with COMOR in establishing more useful requirements of the kind they needed. I emphasized that I was making the point that was had not worked at all hard in establishing a viable working relationship with COMON in 1963 and Selt that the situation had not improved significantly during this year.

9. I then went on to discuse the technical adequacy of the NHO program as I had come to know it, emphasizing that my access was only partial at this time. I stated quite clearly that the program was quite inadequate and unanagementive and had ratice to do the first thing that was needed; i.e.

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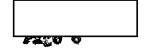
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claborate armor plate development, cic. The next problem raised in the NEO program itself was the complete lack until quite recently of any forward planning on search entellites to supersede Colom. I indicated that quite recently the NEO staff had come up with a two paper system, one on TITAN III drawn from and the second an ATLAS/AGSHA system these on lawrind and complate cameras. I stated, however, that the second and immediate possibility was by no means the apparent last-word solution of the problem. We were more inclined to think of multi-band seasors to attain an improved resolution and a bacic search camera. I said that for this group the merits of

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the two cases were not the issue; the point is that again these last minute NRO proposals were developed without a full realization of the requirements of the intelligence community and the ultimate users of the systems.

- 10. As a third example, I described the CORONA improvement program in which the Air Force had tried unilaterally to respond to the Purcell Panel report with a shopping list of sinor improvements whose effect was promised to be an improvement in the resolution distribution. I pointed out that the Agency had been forced to establish an independent effort and had measured this distribution for the first time. I reconstructed how a comparison of the actual distribution and the easily calcuable improvements expected for the proposed Air Force modification are incommensurate. I pointed out that these Air Force changes, although acceptable, had confused the issue very badly and suggested they were in fact solving the problem when actually they were nothing more than minor modifications. I indicated that we had subsequently reached agreement with HeMillon that this was the case. In summing up I made the point that the 1930 organization represented a sories of unilateral Air Force decisions which were seldom closely coupled to user needs and which were often wrong or lacking as a result. At this point Clifford interrupted to ask me if the Air Force had taken unilateral action with respect to CORDMA. stated duite clearly they had in the case of the CORONA improvement program and had dropped a large brick. He and other members of the Roard vero quite surprised to hear this especially as it preceded the latter nore elemently phrased attempts to take over the COMONA program itself.
- 11. I then, in complesion, made the following basic points in very cryptic form:
  - a. Who as we now know it is basically an Air Porce institution.
  - b. As a joint venture by the CIA and Air Force NRO has been a failure in my view.
  - c. As a joint venture NRO will not succeed where it is and with the present agreement.



- d. MRO voices and rejects supervision as much as possible.
- e. NHO has a clear asymmetric attitude for Air Force and CIA programs.
- f. 1800 has made no effort to date to sell itself and its programs to the DCI, CIA and USIC.
- g. NEO is one of the competing elements in an institutional bureaugratic war.
- h. I said quite frankly I was not quite saire we would solve any of the problems by transferring the roles of the Air Force and CIA.
- 1. If both CIA and the Air Force are to stay in the National Recommissance Program there must be a change in their sighting or an agreement which regulates it.
- j. We must find more effective ways to make our management structure and supervise its activities.
- k. We must target and delegate functions and the budget.
- of questions. Clifford asked me specifically what solutions I would propose and whether I thought ClA should continue to run COMONA. I responded that the decision was really whether the U.S. wanted the insurance of two groups working on satellite programs. The money to be spent is the same, the price to be paid is one of bureaucratic competition of two agencies in the same business. I said for my money it was a lucky thing there had been competition thus far and we oved much of our pictures to that commetation; that while the Air Force had a recent while the Air Force had a recent had wasted a billion dollars on MMCS and were not yet in a position to demand a sole source contract according to my standards. I said that I thought in planning there was no reason why the Agency could not be in the satellite

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solution for CIA until

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Imsiness, and that it represented absolutely essential insurance for performance in the present environment. went on to state that it one accepted the necessity for both CIA and the Air Force to be in the satellite development business then the only feasible fault line is that 25X1 provided by the division between I pointed out that Greer had an NRO from orbit and should be encouraged in that line of work. I exphasized to the group. however, that the quite different as a basic technology and called for different techniques and skills. The group was quite interested in this point and it bears further explasis to them. I said that even if both programs were given to the Air Force I would hope that the Air Force would outablish independent teams to work on those two problems and their corresponding techniques

and insure continuity in such one. I said that I voted

the Air Force winning streak is much longer.

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13. Wr. Langer saked no who I had not protested proviously that Hemilian Mad taken unitatoral program and budget actions and had failed to inform us. I pointed out that I had tried to maintain a working relationship with Revillan and lodging protests were sure to destroy any basis we night have to no good end. I said that what we were running up against was a natural reluctance to accept this much holp in francay and runaing the NEO program. One of the other gentlemen asked me if the problem was the arrangement. I said I thought it was a little of both, but basically the arrangement. I pointed out that Charyk and Scoville had great problems that had become personalized between them and Mchillen and I were having essentially the same troubles. I said I was pleased that McWillan and I had not personalized the problems, which represented basically an institutional disagreement. were all quite pleased to hear this statement. I then stated that I thought it was absolutely essential that this group and the DCI, Secretary of Defense and the Fresident partition this field and put it to bed so that people like McMillan and mysolf and our technical people could go back to work on reconnaissance and stop fighting bureaucratic

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wars in the jungle. This they all received very well. especially when I emphasized that we had already burned out enough good men in this situation. We broke up on this note. In retrospect it was quite clear that Coyne had been armed for an Air Force satellite position and showed an irritation and unerginess curing my entire presentation which he made known to the members of the Board. I believe that by this very candid and straightforward presentation I raised a great many issues with the Board which they had not proviously been aware of. I felt that I had a far livlier response from the Soard than I had received from Baker and Declittle the day before which is consistent with our view that their script had already been protty well decided. Of and by itself, I doubt that the presentation has convinced anyone of the merits of our case. That it has done is raise some very substantial questions in the minds of the Board which the DCI may find useful to develop in his presentations.

Dictated Dut Not Read By

ALMERT D. THERLOS
Deputy Director
(Science and Technology)

(The circumstances of the dictation have been explained in a note from Mr. Blake to Mr. Elder.)

ce: General Cartor Mr. Mirkpatrick Mr. Bross

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